

BRITISH INDUSTRIES  
AND  
INTERNATIONAL BIMETALLISM.

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SPEECH BY  
THE RIGHT HON.  
**A. J. BALFOUR, M.P.**  
AND OTHER ADDRESSES.

TOWN HALL, MANCHESTER,

*27th October, 1892.*

LONDON:  
EFFINGHAM WILSON, ROYAL EXCHANGE.

MANCHESTER:  
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## CONTENTS.

	PAGE
The Requisition - - - - -	4
Letter from Mr. Jacob Bright, M.P. - - - - -	6
The Mayor of Manchester - - - - -	6
Mr. John A. Beith - - - - -	8
Mr. George D. Kelley - - - - -	14
Mr. J. W. Southern - - - - -	16
Right Hon. A. J. Balfour, M.P. - - - - -	20
The Vote on the Resolution - - - - -	34
Mr. J. C. Fielden - - - - -	35
Mr. John Thomson - - - - -	39
Sir Wm. H. Houldsworth, Bart., M.P. - - - - -	40
Mr. Jesse Haworth - - - - -	41
The Deputy Mayor of Manchester - - - - -	40

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# BRITISH INDUSTRIES

AND

## INTERNATIONAL BIMETALLISM

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A "City meeting," to consider the above subject, convened by the Mayor in response to a requisition, was held in the Manchester Town Hall on the evening of the 27th of October. The hall was crowded.

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The MAYOR OF MANCHESTER (Mr. Alderman Leech) presided. Among those on the platform were the Right Hon. A. J. Balfour, M.P., the Deputy-Mayor (Mr. Alderman Mark), the Town Clerk (Mr. W. H. Talbot), Sir W. H. Houldsworth, Bart, M.P., Mr. W. E. M. Tomlinson, M.P., Mr. J. A. Beith, Mr. J. W. Southern, Mr. Jesse Haworth, Mr. G. D. Kelley (secretary of the Manchester and Salford Trades Council), Mr. John Thomson, Professor H. S. Foxwell, Mr. R. T. Hermon-Hodge, Mr. J. C. Fielden, the Mayor of Oldham, the Mayor of Ashton-under-Lyne, Mr. J. S. Dods, Mr. C. Macdonald, Mr. Alderman King, Mr. J. H. Andrews, Mr. W. E. Dorrington, Mr. H. T. Gaddum, Mr. Henry Lathbury, Mr. H. H. Houldsworth, Mr. E. B. Ivan Muller, Mr. F. J. Faraday, Mr. G. C. Haworth, Mr. C. W. Farbridge, Mr. H. E. Wollmer, Mr. Ricardo Moller, Mr. F. W. Peel, Mr. James Parlane, Mr. T. T. Shann, Mr. Charles I. Sassoon, Mr. J. H. Gwyther, Mr. E. Helm, Mr. M. Arrandale (President of the Manchester and Salford Trades Council), Mr. R. W. Watters (Vice-President of the Manchester and Salford Trades Council), Mr. J. G. Hill, Mr. S. W. Royse, Mr. W. J. Galloway, Mr. Councillor E. Williams, Mr. Councillor C. Jennison, and Mr. Henry Mc.Niel.

The TOWN CLERK read the requisition to the Mayor asking him to call the meeting. The requisition was in the following terms :—

To the RIGHT WORSHIPFUL the MAYOR of MANCHESTER.

We, the undermentioned citizens of Manchester and residents in its vicinity, respectfully represent to you—

That the trade of Manchester has been for a considerable period in a most unsatisfactory condition.

That the district of which Manchester is the commercial centre is largely dependent upon exports to India, China, Japan, Mexico, and other silver-using countries.

That such business has been seriously affected by the appreciation of gold, and is greatly hindered, and has become increasingly difficult owing to the instability and great uncertainty in exchange between gold and silver moneys, disadvantages which also prejudicially affect all the leading industries of the country.

That it is essential in the interests of the trade and commerce of the country that such hindrances and difficulties should be removed. That an international agreement under which the leading nations of the world would open their mints to the unrestricted coinage of gold and silver would be the best and most effective remedy, and that the citizens of Manchester should have an opportunity of passing a resolution urging upon the British Government the necessity of co-operating with other Governments to secure this end.

We therefore respectfully request that you will convene a Public Meeting in the Town Hall, Manchester, at such time as will permit of all classes attending, for the purpose of considering and, if approved, passing resolutions for the attainment of the object set forth in this requisition.

(Signed)

Jas. Jardine.	Samuel Weston.
Samuel Ogden and Co.	Duncan Matheson, and Co.
James Dilworth and Son.	James F. Hutton and Co.
Abraham Haworth.	James Parlane.
George Fraser, Son, and Co.	M. Arrandale, President, Manchester and Salford Trades Council.
Beith, Stevenson, and Co.	
Farbridge, Holliday, and Co.	Geo. D. Kelley, Secretary, Manchester and Salford Trades Council.
Malcolm Ross and Son.	
John Mark, ex-Mayor.	
H. T. Gaddum.	
James W. Southern.	James Mawdsley, Secretary United Textile Factory Workers' Association.
T. H. Sidebottom.	
Taylor, Garnett, and Co.	Swainson, Birley, and Co.
Thomas Sowler and Sons.	And others.
Richard Haworth and Co.	

The following, amongst other names, were also appended to the requisition presented to the Mayor :—

R. W. Watters,	<div> <div>Officers and</div> <div>Executive</div> <div>Committee of the</div> <div>Manchester and</div> <div>Salford Trades</div> <div>Council.</div> </div>	Campbell, Sagar, & Co.
E. E. Roberts,		E. Liebert & Co.
W. Medwell,		Henriques & Co.
G. J. Davies,		Clark, Wilson, & Co.
Jas. G. Quinn,		Sommer & Co.
H. Preston,		H. Böger.
Samuel Jones, Secretary, Operative Spinners' Association.		Richardo Möller
Dods, Ker, & Co.		Robert Barclay & Co.
Macdonald, Miller, & Co.		Hague, Smith, & Co.
Lathbury & Co.		Blakeley & Beving
John King, Jun.		Thos. G. Hill & Co.
Julius Liepmann & Co.		A. R. Gallé, Consul for Belgium and the Congo Free State
Whitehead, Holland, and Moss.		Wm. Thos. Rothwell.
Ellinger & Co.		D. & W. Taylor.
Ph. Ziegler & Co.		F. J. Faraday.
W. Botham & Co.		T. T. Shann & Co.
Lomnitz and Duxbury		Stewart, Thomson, & Co.
Thomas Houldsworth & Co. Ltd.		James Holden.
Thomas Rhodes Ltd.		Wilson, Latham, & Co.
G. Roskill & Co.		S. W. Royse, & Co.
J. Liotard & Sestier.		Thomas C. Waterhouse.
Paul Jaffé & Co.		Alfred Heginbottom.
Peacock, Mollison, & Co.		G. Zlatano.
Galbraith & Co.		Andrew Willing.
Oetling & Co.		Paulsen, Koedt, & Co.
Jauffred & Gariel		Charles I. Sassoon.
The Daisy Bank Manufacturing Co. Ltd., John C. Fielden, Chairman.		Kidd, Boden, & Co.
Edward Hyde Greg.		T. Wilkinson & Co.
Robert Greg & Co.		J. H. Andrew.
Hy. Zimmermann & Co.		Alex. Carus.
W. R. Moss		G. I. Murray & Co.
		Lewis Haslam.

Mr. HENRY MCNIEL (General Secretary of the Bi-metallic League) said that letters had been received from a number of gentlemen who regretted they were unable to attend, including Mr. Jacob Bright, M.P. ; Sir H. E. Roscoe, M.P. ; Mr. Abraham Haworth, Mr. J. Jardine, Mr. S. Ogden, Mr. Isaac Hoyle, Mr. Alexander Forrest, Mr. E.



Hyde Greg, and Mr. J. A. Hutton. Mr. Bright's letter was as follows :—

31, St. James's Place,  
London, S.W.,

October 24th, 1892.

DEAR MR. BEITH,

I regret that I cannot come to your meeting, but have much sympathy with its object. Speaking generally, men of wealth, who are of course comparatively few, seem greatly to fear Bimetallism. I do not think it would injure them, but I have a strong conviction that it would benefit the many. I believe the manufactures and commerce, the great and varied industries of this country, would, if the proposed change were carried out, have a prospect of profitable extension which seems denied to them now.

Bimetallism has a strong historical support. The commercial world prospered under it, but who will say we have prospered since its abandonment? A too restricted currency always injures trade, and in times past, when from one cause or another the currency has been somewhat expanded, every class in the country has derived advantage from it. I believe there is little chance of harm and great possibilities of good in the change which you demand.

The movement is growing and will grow, and unless some better remedy for the evils from which we suffer can be found than that which Lancashire now proposes, the Bimetallic League should take the Anti-Corn Law League for its guide, and create the public opinion which will ensure success.

Very truly yours,

(Signed) JACOB BRIGHT.

The MAYOR said : Ladies and gentlemen,—I have called this town's meeting in response to an influential and very numerous signed requisition, and its object is to consider one of the most important questions that is now agitating the public mind. The advocates of bimetallism claim that the fluctuating standard between the two precious metals paralyses trade, and is the cause of the gradual decay that is sensible in many of our industries, and which affects both capital and labour. If this be so it is fitting that in this great commercial centre the whole question should be fully considered; and it has therefore given me great pleasure to convene and preside over this meeting. (Applause.) It is quite true that when I was first approached, I had my doubts as to



whether bimetallism did not more properly come within the range of the Chamber of Commerce than of the Town Hall, especially as the subject had been discussed at great length by the most acute commercial intellects of the day, at a meeting which was adjourned several times, and which eventually ended in the bimetallists outnumbering the monometallists by a narrow majority, in a crowded meeting called by the Chamber of Commerce. On looking back, however, I found that commercial subjects of a kindred nature had been the subject of a town's meeting, and all doubt in my mind ceased. (Hear, hear.) But then another difficulty presented itself. The requisitionists asked that the meeting should be held in the evening, to give the working classes an opportunity of attending. This was contrary to all practice, it having been the universal custom to call town's meetings in the day time, so that commercial men attending our Exchange could conveniently be present. My desire being to be perfectly fair I consulted several monometallist friends, who urged that if a meeting were called it should be in the ordinary way. Observing the usual custom, I then decided in favour of the *status quo*, that is, to call the usual day meeting; but on being further urged that this would prevent many of the labouring classes from being present, I conferred with the monometallist leaders, who expressed their strong desire not to disfranchise the working classes. At the same time they said it would not be just to them to hold a town's meeting at an unusual time when they and their friends could not be there. ("Oh, oh.") They, however, were willing that an evening meeting should be held, provided that I made it publicly known that the monometallists would not be represented at the meeting—(laughter)—but intended to defer arguing their case till the approaching conference. I then gave the requisitionists the choice of an evening meeting on these

conditions, or an ordinary town's meeting at the ordinary time, and they choose the former. I am sorry to detain you with explanations, but under the circumstances it is unavoidable. As Mayor, I am perfectly impartial. Perhaps it is fortunate for me that the mayoral duties are so onerous as to allow me no time to study bimetallism. (Laughter.) It exercises so many brains that I should not like it to harass mine. All I desire is that this great and important question may be frankly, fully, and dispassionately discussed this evening. I shall now call upon Mr. Beith to move the first resolution.

Mr. JOHN A. BEITH : I very much regret that this important resolution has been placed in my hands. I had hoped, for one thing, that Mr. Jacob Bright would have undertaken the task. Mr. Bright is unable to be present, but you have had from him a letter in which he states his views in his usual wise, moderate, and thoughtful way. The letter, I am sure, will carry weight with Manchester and the country, and the party to which Mr. Bright belongs. (Applause.) But if Mr. Bright is not here, I am glad, in looking round the platform, to see all sorts of parties represented. We look upon this question as a momentous question, and for a time we have sunk all our differences, especially our party differences. I for one feel proud that on an occasion of this sort I am able to take my stand with those from whom I often differ so much ; and in particular I am glad I am able to take part with the right hon. gentleman on my right. (Applause.) In this matter, which concerns Manchester and the whole country so much, it is emphatically the case to-night that none are for a Party and all for the State. (Applause.) The resolution I am asked to move is based upon an exceedingly serious fact—for fact it is—that commerce generally, and Productive Industry specially,

have been for some time, and are now, in an exceedingly unsatisfactory condition. I am not going to stop to prove this—the experience of everyone present will confirm it. (Hear, hear.) As to the causes of this unsatisfactory state of things there are differences of opinion. No doubt there are various causes, but our resolution affirms that underlying them all is this question of the appreciation of gold and the violent fluctuations in exchange between gold-standard and silver-standard countries, which greatly embarrass the eastern trade upon which Manchester so much depends. That appreciation and these fluctuations, it appears to me, the evidence laid before the Gold and Silver Commission (upon which Sir William Houldsworth took a distinguished part) traces conclusively to the great change which was made in 1873, almost by a stroke of the pen, upon international currency. Now I would say at once that England in no way created that change. But while that is true it is also true that England had the opportunity to prevent it but refused to do so. To that extent we are responsible for the change. (Applause.) Well, in 1873 the action of the States of the Latin Union practically destroyed the par of exchange between gold and silver-using countries, and gave a monopoly to gold as the measure of international trade. Now the meaning of that in Manchester to-day is simply this, that we refuse to take payment for the Manchester goods we send to India in the money of India, except at a discount which now amounts to 35 per cent compared with the buying power of silver in India. The result of that action of 1873 has been a two-fold disaster. First, violent fluctuations, violent, continuous oscillations in exchange, retarding Eastern trade and reducing it almost to a game of chance, almost to a gamble in silver rather than an investment in cottons. (Applause.) The second disaster is that it has thrown a strain upon

gold, so that the prices of all commodities, including the sources of all commodities, namely, land and industrial works, have been subjected to such a perpendicular fall in value during the last 15 years as to have now almost reached the breaking point. We hear both in the East and in the West a universal and "exceeding bitter cry" of distress and apprehension, and the silver Spectre stalks everywhere—in the East as well as in the West. It has even entered the Bombay Chamber of Commerce, and it even haunts the dreams of Lombard Street. (Hear, hear.) We are met to-night to demand that the great blunder committed in 1873 shall be repaired, that the cause of these momentous dangers shall cease, and that in the future, as in the past, silver and gold shall be united, and form together one measure of value for the international trade of the world, so that these distracting fluctuations may be ended, and the cruel and unjust appreciation of gold arrested. (Applause.) In a word, we ask that the Government shall take measures in concert with the other great nations of the world, to arrange one money for the commerce of the world—that is, that the Queen's shilling, the Queen's rupee, and the Queen's dollar shall run as freely as the Queen's sovereign, in every part of the Queen's empire, and of the world. (Cheers.) And this we demand as a necessity that will not brook delay. At the same time, mark this, we are only asking what a Royal Commission has unanimously declared to be a practicable method of dealing with international currency. Such, gentlemen, is the pith of the resolution which is offered to you for your adoption. But I may be asked to prove that these fluctuations in exchange injure trade. Well, I will appeal to your experience in this matter, as to whether you have found your trade profitable, and if you have not found that the fluctuations in exchange constantly check business. (Applause.) But if

we go more deeply into the matter we find that during a period when there were exceptional causes for its expansion—such as the opening of the Suez Canal, the quadrupling of the railway system of India, and a reduction of steam freights almost as low as sailing vessel freights, through the discovery in engineering of the triple expansion system—not only has our Eastern trade been retarded, but the practical refusal to take payments in the money of the East except at an enormous discount, has diverted the channels of trade, and silver-using countries such as China have felt themselves compelled to go past Manchester and to trade with silver-taking countries. Now the figures on this question are absolutely appalling. Indian mills did not begin their existence with this change in the currency. For ten years before this change came, Indian mills were in existence, and were working vigorously, and making progress in India, but during the whole of that ten years were practically able to export nothing. Manchester had, up till that time, always “taken the cake” in the neutral markets. In 1874 the total exports of yarn from the Indian mills to China and Japan amounted to only 1,000,000lbs. It was only in 1875, and when silver had fallen 3d. per ounce, that the 1,000,000lb. of exports, which it had taken Indian mills nearly 10 years to get up to, at once expanded, as if in obedience to the wave of an enchanter’s wand, into 5,000,000lb. In 1880 there was a further fall of 5d. per ounce, and consequently a further advantage to the Silver of India and China, as compared with England accepting only gold payments, and so, then, the five millions of exports from India became 25 millions. In 1885 another fall took place, and the 25 millions became 75 millions. In 1889 there was a further fall of 5d. in silver, and the 75 millions became 127 millions. In 1891 there was still a further fall, and the 127



millions of exports of yarn from India to China became 165 millions ; so that in 17 years, through the operation of this cause chiefly, one million lbs. of yarn exports per annum had risen to 165 million lbs. per annum. These are very large figures, but if you look a little more into the details they become even more appalling. One hundred and sixty-five million pounds of yarn sent from Bombay to China and Japan means that India is sending six times as much as the United Kingdom sends to China and Japan, twice as much as the United Kingdom sends to India, China, and Japan together, and is indeed very fast approaching the figure of Lancashire's total exports of yarn to the whole world. If the ratio of increase continues as hitherto, the shipments from India will exceed in from three to four years the total shipments of yarn from the United Kingdom to the whole world, including India, China, and Japan. It seems to me that those figures speak eloquently for themselves—(hear, hear)—and require no comment on our part. But what has happened to yarn, gentlemen, may happen to coal. I repeat, what has happened to yarn, may happen to coal ; for, remember, Japan can supply the East with coal, and is willing to take at par the silver of the East in payment. I recommend that consideration to all those interested in coal in Lancashire. (Hear, hear.) I venture to say that this competition of Indian millowners with Lancashire millowners, of Asiatic labour with Lancashire labour, will enormously increase if you do not bring your Lancashire money into parity with Eastern money. I am told we should rejoice at the progress of our Indian industries. So we should. We should wish them to have, and give them a fair field, but we should give them no favour. (Applause.) By refusing to take Eastern money—the money, forsooth, of our own Dependency!—except at an enormous discount, we are giving a bounty to Indian mills

and Asiatic labour equal to if not beyond the wildest attempts of the most unfriendly tariffs of foreign protectionists. (Applause.) In the interest of Free Trade we, to-night, demand that this bounty shall cease ; and if our resolution becomes law it will cease. I have spoken too much from the standpoint of the Eastern merchant, because that is the aspect of the question with which I am most conversant. I could say much from a broader and more important aspect, namely, that of the baleful effects of the appreciation of gold upon impoverished landlords in this “merrie England,” and upon the embarrassed owners of industrial properties, carried on, as most of those properties are, by borrowed money ; and I could speak of silent bankruptcies and liquidations the result of that depreciation of all property, which is another name for that appreciation of gold over which Lombard Street so foolishly gloats. (Hear, hear.) I could dilate on this significant fact that though the annual production of silver has trebled or it may be quadrupled itself in recent years, it has all been absorbed into the hoards of India, from which it never comes back, or into the active circulation of America, and every one knows who studies the returns, or who visits America, how active is the circulation of notes based entirely on silver ; and I could speak of the still more extraordinary fact that the buying power of silver money in India is as great as ever it was, while in France and America it buys in perfect equality with gold. I could dwell still further on this fact, most marvellous of all, that it is to bimetallic France that golden England has to go in its hours of crisis to rescue its attenuated gold reserves. (Applause.) But I will leave those themes to the great authorities who are to follow me. As an opponent of all monopoly, as a fervent disciple of Free Trade, as an advocate of the commercial unity of the Empire and as a



believer in the solidarity of the interests of humanity and the world, I ask you to pass this resolution in favour of what is practically one measure of value for international trade—England's most vital interest, and England's most vulnerable point. (Applause.) I beg to move the following resolution :—

“That in the opinion of the Citizens of Manchester, in public meeting assembled, the exceedingly unsatisfactory condition of our Productive Industries, and of commerce generally, is largely due to the appreciation of gold and the violent fluctuations and uncertainty of exchange between gold standard and silver standard countries.”

“That the best and most effective remedy would be secured by an agreement, on a broad International basis, to re-open the mints of the leading nations of the world to the unrestricted coinage of both gold and silver, and that to that end Her Majesty's Government be earnestly requested to co-operate with other nations at the forthcoming Monetary Conference to secure such an international agreement.”

Mr. G. D. KELLEY seconded the resolution. He said : Mr. Mayor, ladies, and gentlemen, I observe that in this morning's paper a gentleman makes the statement that the working classes know nothing about this question of bi-metallism. That is a bold statement to make, and one that would be rather difficult to prove. (Hear, hear.) It is with great heartiness and pleasure that I second the resolution so ably proposed by Mr. Beith. The bimetallic question is no new one to the Manchester and Salford Trades' Council. A number of years ago they took it into their consideration, regarding it from the point of view as to how it would affect the industries of the country, and particularly labour, and the conclusion they came to was that it was the duty of the wage-earning class to give it their support. In this opinion the Manchester and Salford Trades' Council does not stand alone, for not only have all the great labour organizations connected with textiles endorsed the bimetallic movement, but I know that it commands the support of the Trades and Labour Councils

of Newcastle-on-Tyne, Bristol, Bradford, Liverpool, Wolverhampton, Hull, and a dozen other labour bodies which I could mention; and further, this year the Parliamentary Committee of the Trades' Union Congress unanimously passed the following resolution :—

“The Parliamentary Committee of the Trades Union Congress expresses its satisfaction that the currency question is about to be considered by a Conference of the nations, and in the interests of the Productive Industries of this country—particularly with reference to the interests of the wage-earning class, it trusts that the Conference may result in a stable exchange being secured between the moneys of gold and silver-using countries.” (Applause.)

It is not surprising they should take this course ; for we know that the appreciation of gold and the uncertainty of exchange tells heavily upon all branches of manufactures, and in the long run the interests of capital employed in manufacturing and the interest of wage earners are closely identified together. (Hear, hear.) By superior organization Trades Councils can often avert reductions of wages, but we know perfectly well that the employer cannot go on losing money year after year without its telling its tale also on the pockets of the wage earners. This does not always show in reductions of wages, although those have to be at times endured, but it is constantly shewing itself in irregularity of employment which I need scarcely say has the most serious consequences upon the life of the working men, and upon the comforts of his wife and family. You can understand the fixed determination of organised labour to resist reductions of wages because they believe that one great cause of bad trade (this currency difficulty) is a preventable cause—(applause)—and on the part of the working classes we think we have a right to demand that our bad monetary laws, which assist to make bad trade, should be swept away before a reduction of wages is pressed. If Manchester passes this resolution other towns will un-

doubtedly follow suit, and we shall make such an agitation that we shall secure International Bimetallism, to the benefit of employers and employed. (Applause.) I would like it to be distinctly understood that this is no party question, and the wage-earning classes will certainly continue to press for it, whatever Government is in power, till we succeed. I believe we shall not then have to talk of State-aided emigration, or any other emigration for the British working man, for he will have with greater certainty full and regular employment, and a good day's wages for a good day's work. I have endeavoured as far as possible to express my opinions in the few words I have uttered to you, and I sincerely trust that this meeting to-night will see the necessity of adopting the resolution that has been moved and seconded. (Applause.)

MR. J. W. SOUTHERN: I rise to support the resolution. I cannot hope to do so with the force or the representative authority of the last speaker, but I can do so with great heartiness and sincerity. We speak in this resolution of the evils which have resulted from the appreciation of gold. Now, as this is a Town's Meeting, there may be some here to whom it may not be amiss if I refer to some of the elementary aspects of this question. (Hear, hear.) Of late years, the production of gold has very largely decreased. It was put in evidence before the Commission, to which reference has already been made, that, in the period from 1851 to 1855, the annual production of gold was  $27\frac{3}{4}$  millions sterling, and that in the period from 1881 to 1885, it had sunk down to  $20\frac{3}{4}$  millions. Thus a very considerable force in the derangement of values was at work, from the mere fact of the reduction in the natural supply of gold. This was intensified by another force—the increased artificial demand created in 1873. The

figures in relation to the demonetisation of silver in Germany, and the consequent coinage of gold show us that since 1871 upwards of 98 millions sterling have been coined in Germany, of which 80 millions represent the addition to her gold coinage following upon the demonetisation of silver. Now then, you have a reduction in supply of seven millions per annum, and concurrent with it, over a period of years, a new requirement of 80 millions sterling in one country alone. But that is not all. Across the Atlantic you have a great community, growing in numbers, in commerce, and in wealth, and which requires a much larger supply of gold than it did at any previous period. And so we find, from 1876 to 1885, an increased demand for gold in the United States amounting to 100 millions sterling. That is not all. For the same period we find that enormously increased demands for the precious metal were made by Italy, The Netherlands, Norway, Sweden, and Denmark. These circumstances might well be expected to produce disturbing results, and disturbing results have been most abundantly produced. (Hear, hear.) The effects upon land have been referred to. It is notorious that the depreciation in land has become so great that in many cases it has almost gone out of cultivation. In last week's *Manchester Guardian* I read, on the authority of Mr. James Long, that the prices realisable from farm produce—he instanced wheat—were lower than they had ever been before. And not only has the value of these commodities depreciated in correspondence with the appreciation of gold, but this has also been the case in regard to other most important matters to which I want particularly to allude, because they affect an aspect of the question which I don't think has been sufficiently considered and discussed. I mean the alteration which has been effected in the value of house and other such property. (Hear, hear.) There existed in Manchester a few

years ago a number of very valuable societies, many of them intended to encourage thrift among working people. It was no uncommon thing for a working man to have his savings invested in a Building Society. These Societies may have occasionally led to speculations of an unwise character, but in the main they were of great advantage to an industrial community. (Hear, hear.) They lent money on house property with a small margin. Well, now, what happened upon this appreciation of gold and consequent depreciation in the value of property? The margin narrowed, diminished and vanished, and prosperity gave place to distress and ruin. One after another these Societies collapsed, because the margin between the value of the security and the amount lent upon it had gone. (Hear, hear.) The properties were thrown upon their hands, and with depreciated rents they were unable to pay interest upon the money advanced. Apart from the Societies consider the position of thousands of industrious men to-day who placed their savings in house and such like property. The value of their property in correspondence with all other commodities has gone down 30 per cent. Their rents have gone down 30 per cent, and yet they have to go on paying a chief rent on the old par of value. (Hear, hear.) That is a continual injustice to them, because in realising their commodities to discharge these money obligations which they undertook, they have now to accept 30 per cent less for them. A very considerable injury, therefore, is done to the class I have alluded to, indeed, as will be seen, what practically amounts to an extra tax is imposed upon one of the most industrious and thrifty classes, a burden imposed which no prudence could have foreseen, and which they are powerless to struggle with. (Applause.) I will not speak of the wider aspects of the question. Mr. Beith has dealt with these, and I do not



suppose there is anyone who can speak with better authority on that part of the subject. (Hear, hear.) There is a very admirable letter in this morning's *Manchester Guardian* by Mr. H. T. Gaddum, which places the matter in a most striking light, and I commend that letter to the reading of every gentleman present. Well, but will bimetallicism tend to restore regularity in values? Will it prevent this continuous depreciation which has led, and is leading, to ruinous consequences in so many directions? The answer is this: The bimetallic system existed for 70 years prior to 1873. It was not the system of England; but, inasmuch as it was the system of France and of the Latin Union, such a stable relation was maintained between gold and silver the whole world over that the variation during the 70 years did not equal  $2\frac{3}{4}$ d. in the ounce of silver. It may, therefore, be assumed that a condition of things which existed for 70 years through the bimetallic system of France and the Latin Union might be made to subsist by international arrangement between the various commercial countries of the world. (Applause.) This question has hitherto been regarded rather as one for academic discussion by experts. It has now, however, ceased to be an academic question, and has become a political one. When I say a political one I mean that it is a question which vitally affects the life and welfare and prosperity of the people, and therefore calls for the action of the politician in regard to it. I do not mean when I say that it is a political question that it is a party question. It seems to me to demand the support both of the Liberal and the Tory, speaking from a point of view of their essential and fundamental principles. What is Liberalism? Stated in the most brief form, it is "enlightened discontent." (Laughter and applause.) You see a state of things with which you cannot feel contented, and you desire to remedy it. You think you see a mode of

reforming it, which will be of advantage to the nation—that is the *raison d'être* of the Liberal. But what is the Tory principle of action? I think I may fairly state it as a determination to “stand upon the ancient ways until a better way has been proved beyond contradiction to exist.” (Laughter and applause.) Very well, then, I call upon every Tory to become a bimetallist—(Mr. BALFOUR: Hear, hear)—because it is a return to a stable way he trod for 70 years. It was to him and his country a period of advantage and prosperity, such as the world had never seen before. (Hear, hear.) Since these derangements of value have set in he has passed along a path which has led into bog and quagmire and difficulty of every kind. What he wants to do, and what we all want to do, is to get our feet set firmly upon a basis of currency which will allow of trade being conducted not in the gambling spirit to which Mr. Beith has referred, but in that proper certainty of a fair result from industry which existed before, and which ought to exist. (Applause).

The MAYOR: I am sure we heartily welcome to our city the Right Honourable Arthur James Balfour, and I will now ask him to support the resolution.

Mr. A. J. BALFOUR, M.P., who was received with great cordiality, supported the resolution. He said: I hope I need not offer any apology for my appearance on a Manchester platform to-night. It is true that the summons of Mr. Mayor was addressed primarily to Manchester ratepayers, and among that distinguished body I cannot count myself; but my connection with Manchester has now been so long and so intimate that I hope I may be permitted to appear and to give my opinions upon a subject—even though it be apart from the ordinary stream and course of party politics



—which, as I believe, so vitally affects the prosperity of the great industries upon which Manchester depends. (Cheers.) I felt specially impelled to take part in this meeting, because I have for long held strong opinions upon the problem which we are now discussing, opinions which date back to a period long antecedent to the time when they became matters of very great public interest. (Hear, hear.) I have been a bi-metallist, as it is called, ever since I took an interest in general economic science, and the opinions—the academic opinions, if you will—to which I came long before I took any very prominent part in public life, are opinions from which I have seen no reason to depart, and which I am now convinced more than ever are bound up with some of the most vital interests of the country. (Cheers.) I feel also driven publicly to express my opinion at the present crisis, because I was for some time at least the chairman of the Currency Commission, on which Sir William Houldsworth did such eminent service, and to which allusion has been made. (Applause.) As a member of that commission, though not as its chairman, I signed not only the general report, but the report of half the members committing themselves to what is known as the bimetallic theory. At the same time I ought to say—it is only fair to those who agree with me in politics, though they do not agree with me upon this subject—that I come here as a private individual, in no sense representing, or claiming to represent, any party in the State. The convictions to which I give utterance now are not shared, I know, by many with whom it is my greatest pride to act in all public affairs, and though we who were responsible for the initiation of this international commission, though we, the late Government, are all equally desirous of seeing this question settled, and equally committed to the policy of dealing with it in an earnest spirit, I do not pretend that, upon this question, the whole of my

late colleagues are in agreement with me. You will forgive me for this personal preface. I could not well embark in a free exposition of my own views without giving it to you, but if it has appeared to you to be at all egotistic, I hope you will recollect that the peculiar circumstances in which I find myself placed offer, as I hope, an ample justification. (Applause.) You have heard three most able speeches to-night. One of those speeches showed the effect of our present currency system upon the international trade between Lancashire and silver-using countries; the second of those speeches, from one certainly fully qualified to speak for the working classes of Manchester—(applause)—showed what their view of the question is; and the third was devoted to showing the effect of the steady, rapid, and continuous appreciation of gold, combined with a corresponding steady depreciation of prices upon permanent debts, fixed property, and the interests of the great building societies, in which so many of the best of our working classes have invested their savings. These three speeches justify me in saying that there is ground for holding that the present position of the currency is not a satisfactory position. (Hear, hear.)

#### IS INTERNATIONAL BIMETALLISM PRACTICABLE?

There remain then two questions for us to deal with. In the first place, can we change that system, that monometallic system, for a bimetallic system, as we shall, I hope, be pledged to do by the resolution which has been read to you; and, in the second place, if that change is a practicable and a possible change, is it one that we ought to desire in the interests of this country? You will, perhaps, allow me to deal very briefly with those two problems in the order in which I have mentioned them. Now there are a great many persons who profess to approach this question as economists, and who tell you that, speaking

as "economists," the idea of a Government, or any number of Governments, presuming to determine and fix the relative prices of two commodities, be those commodities beef or mutton or be they silver or gold—that the pretensions I say of Governments to fix the relative value of commodities is an absurd pretension, and that those who put it forward are mere speculative schemers, worthy to be ranked with the squarers of the circle and the believers in astrology. (Laughter.) I am far from quarrelling with the general temper of mind which thinks that an Act of Parliament cannot do everything. I know too much of the difficulties of passing Acts of Parliament—(laughter)—and the impotence of Acts of Parliament when they are passed in the second place, to desire too earnestly to press upon you the opposite view as a general doctrine in politics. Neither do I quarrel with the view, which I suppose is the scientific view of political economists in the forefront of political controversy, and which tells us that we do owe some respect and consideration to the men who have devoted their time to a scientific analysis of the problems presented by modern society. I think that both of those two things are very much to be encouraged, and I am glad that at all events in the sphere of currency those principles have not as yet lost the whole of their sway. The question we have to consider is, what is the sound economic doctrine on this point? Is it true, or is it not true, that an international agreement can, for all practical currency purposes, determine the rate at which gold coin shall be exchanged for silver coin, and silver coin for gold coin in the great markets of the world? (Hear, hear.)

#### MONOMETALLISTS MISUNDERSTAND THE DOCTRINES OF POLITICAL ECONOMY.

I say that those who doubt that misread, misinterpret, the doctrines of political economy. (Hear, hear.) They have

misunderstood them. They have pinned their faith, not to the progressive scientific spirit of what is nothing if it be not a science. They have rather pinned their faith to rash doctrines and musty dogmas which are now abandoned, as I venture to think, by all the best economic thought in this country and in other countries. (Cheers.) The view of these would-be economic objectors to the bimetallic system appears to be founded upon this doctrine, that the cost of production determines the value of commodities, and that as neither an Act of the British Parliament nor of all the Parliaments of the world can determine the relative cost of production of gold and of silver, it is therefore equally impossible by international agreement to determine the relative value of gold coin and of silver coin. That, I believe, is not an unfair statement of the economic objection which in one shape or another I regard as the great obstacle to the general acceptance of our views upon this subject. But it is based upon an economic heresy. What primarily determines relative values is not cost of production, but demand and supply. And not only may Governments have an effect upon demand and supply, but every day they do affect demand and supply and the whole existing currency legislation of the world—be it the currency legislation of monometallic England, or the currency legislation of bimetallic France, or the currency legislation of America, which I cannot qualify—(laughter)—any one and all of these different systems of legislation do affect the demand for the precious metals, gold and silver, and by affecting the demand they do affect the relative prices. (Cheers.)

#### INTERNATIONAL BIMETALLISM WOULD GIVE A PAR OF EXCHANGE.

And notice that the bimetallic contention is this. We bimetallists say that if you will, by international arrange-

ment, fix some reasonable ratio of exchange between gold and silver coin, you will create an automatic system by which the demand for gold and silver respectively shall be such as to maintain that ratio at the point at which you fix it. (Hear, hear.) That is our contention, and we no more intend, or desire, to supplant or get round the law of supply or demand,—as if you could get round a law of nature—we no more attempt that than we attempt, as I said before, to square the circle or practise astrology. (Applause.) We claim that our doctrine is founded upon a sound scientific analysis of the facts of values and the facts of exchange. And let those who base their opinions upon, as I venture to think, an imperfect study of the theory of values, reconsider their position in the light of the analysis of facts presented to them by modern political economy. (Applause.) I know, especially ever since the great days of the Free-trade controversy, we in England have rather flattered ourselves that we were the disciples and followers of sound economic orthodoxy. We have sometimes forgotten that economics is a science like other sciences, and that no more than any other science can it afford to stand still, or does it refuse to reconsider in the light of new facts and new arguments conclusions arrived at even by the greatest authorities who have written in former times. (Hear, hear.) And I would say to you in answer to those who object to our policy on economic grounds, “Don’t be frightened by the charge of economic heresy; all the best modern economic speculation is on your side; time is on your side; the whole stream of tendency among the younger economists not in England alone, but on the Continent and in America, is on your side,” and my belief is that not many years will elapse before the heresy of doubting the possibility of maintaining an exchange par between gold and

silver—the fallacy of maintaining that that is impossible will be as antiquated and as exploded a superstition as the Mercantile Theory itself. (Applause.) I have ventured to dwell upon this point because I am convinced that, at all events amongst the educated opponents of bimetallism, it is a vague idea that it is some piece of jugglery to which no sound economist would put his hand that is at the bottom of the objection. Believe me that is all rubbish. Whatever be the objections—and I daresay there are objections to the bimetallic system—that is no objection, and you may go forward, positively assured that at all events upon the grounds of pure, abstract political economy, no weapon can be drawn that will prove deadly to our cause.

#### BIMETALLISTS' CONTENTIONS NOT DEPENDENT ON THEORY ALONE.

We are, not, however, dependent upon theory alone in this matter. It is very seldom that an abstract economic law—it is very seldom that any abstract law of nature can be studied, so to speak, in its naked simplicity, uninterfered with by the complexity of collateral phenomena, which perhaps obscure the real significance of facts from the eyes of the careless observer; but in this matter of a double standard we have the experience not of one year or of two years, but we have the experience of generations. (Applause.) It was, not by general international agreement, but by agreement of a far narrower and less secure basis, that bimetallism was established by France and the Latin Union, and even on that narrow platform, even from that narrow basis, it was found possible for a very long period of time—a period of time during which the cost and amount of production of the precious metals varied enormously as between each



other, to maintain the relative value of those metals almost unchanged. I am sometimes astonished at the obstinate refusal of many people to learn from the clearest experience. (Laughter.) Nobody can doubt that there was, broadly speaking, this par of exchange for a very long period of time. Nobody can doubt that during that time there was a bimetallic system existing in France and in the Latin Union; nevertheless there are some people who say the two facts, both of which must be admitted, have no cause or connection with each other, and that by a series of extraordinary coincidences it did so happen that the par of exchange was maintained, but that, it was due to the coincidences that it was maintained, and not to the existence of the bimetallic system. They construct a huge scaffolding of coincidences. The whole thing is to be explained not by one general principle applicable to the whole phenomena, but by a series of hypotheses, each of them extravagant, and still more extravagant when they are taken together, and thus a fact that we can explain by a stroke of the pen is to be accounted for. I notice even in to-day's papers that a very eminent authority upon these matters, a great friend of mine,—Sir John Lubbock, the London banker—a man eminently entitled to be listened to, laid down the proposition that the production of gold at the present moment as compared with the production of silver was such that it would be perfectly impossible to maintain the par of exchange even if you were to establish it by international agreement. But he forgot that for 30 years before the great gold discovery the ratio of production between those two metals was almost exactly what it is now, and that nevertheless during those 30 years there was not the slightest difficulty, even from the action of the French Government alone, in maintaining the par of exchange at the point fixed by that Government. You will not, I think,



expect me to go more into the abstract and scientific aspect of this somewhat difficult problem. The truth is, it is impossible to discuss abstract political economy to an audience of 1,000 persons, any more than it is possible to discuss an abstract proposition in optics or in metaphysics. Those of you who desire to go further into the real grounds of the opinions which I ventured thus briefly to express, will find no difficulty whatever in making yourselves acquainted with the many text books in which the arguments can be seen fully set forth.

#### IS INTERNATIONAL BIMETALLISM DESIRABLE?

I will therefore pass from the first question I put to you, namely, is the bimetallic system possible? to the second question I put to you, which is this: If it be possible, is it desirable? I ventured to state at the beginning of these observations that I had long been a believer, on abstract economic grounds, in the advisability of substituting bimetallism for monometallism, but I admit that a change of the currency of a great commercial country is a thing that no man would undertake with a light heart, and that the mere fact that a system which we do not happen to have was something better than the system which we have, was not necessarily a sufficient ground for altering that which we were accustomed to, and that under which, on the whole, we had fairly prospered. But I venture to think that this great problem is now pressing itself upon our attention, not as an academic or abstract question, but as a question going very near to the interests of every one of us. (Applause.) It is a question, therefore, upon which every citizen must make up his mind one way or the other. (Hear, hear.) It is not a question that can be left to the academic discussion of theoretical economists. Get your data from them if you please. Get

your arguments from them if you will, but you have got to make up your minds for yourselves in view of the necessities of your position and the position of the country in which you are citizens. Well, that being so, why do I come here to-night to urge you to do what you can to see those doctrines turned from speculation into practice? I do it on two main grounds.

#### WE REQUIRE A CONVENIENT MEDIUM OF EXCHANGE.

We want two things in our currency. We require of it that it shall be a convenient medium of exchange between different countries, and we require of it that it shall be a fair and permanent record of obligations over long periods of time. (Applause.) And in both of those great and fundamental requirements of a currency our existing currency totally and lamentably fails (Applause.) I don't wish to go over the ground so ably covered by Mr. Beith in the first speech that was made this evening. He spoke to you as a practical man. He showed you that the result of the existing oscillations between values under a silver currency and values under a gold currency, was that a manufacturer was turned against his will into a gambler, and that he whose business it was to produce cottons had to speculate on the market of exchanges. (Hear, hear.) He showed you further that the result of the inequality of exchange between England and silver-using countries was that when England competed against a manufacturing country using a silver standard, or in a neutral market also using a silver standard, England was beaten out of the field. He showed you, in other words, that the result of having an appreciating gold standard in England and a silver standard in India and China was that a bounty was put upon Indian manufactures, and that practically a duty was put upon English manufac-

tures. (Hear, hear.) That may be good, I will not say for the Indian, but for the English capitalist in India. (Hear, hear.) That is possible, but it can only be a temporary good even to the English capitalist in India. And in the meanwhile, at the expense of Lancashire, and of the industrial population of Lancashire, we shall have been building up a system which cannot stand the test of Free-trade, and which, when true Free-trade comes, must crumble into dust. (Cheers.) On that part of the question, which I have thus briefly summarised, I desire to add nothing—I can add nothing—to that which Mr. Beith has already so eloquently told you.

#### WE REQUIRE A PERMANENT RECORD OF DEBTS AND OBLIGATIONS.

But there is the other point, which, though it has been touched upon, has not been dealt with at length—namely, the utility of our monetary system as a permanent record of debts and obligations, lasting through long periods of time. And can we claim that great quality for a standard which—by the admission even of the mono-metallists themselves—has appreciated in some 15 or 16 years no less than 30 or 35 per cent, and of whose appreciation no man living, under the existing system, can prophesy the limits. (Cheers.) I say that a monetary standard of which that can be said does not fulfil the very elementary qualities which we require in a monetary standard. (Hear, hear.) I have heard the accusation levelled against those who take my view on this currency question that we desire inflation, that we desire to see, in other words, prices artificially raised by the process of artificially increasing the currency. I have no such desire. (Hear, hear.) Give me a standard that will remain constant, and I ask of you no more—(applause)—but don't put me off with a standard which

rises 35 per cent in 15 or 16 years. (Hear, hear.) But I have to choose, if I am given the unwelcome choice between a standard which appreciates and a standard which depreciates, between a system under which prices are lowered, and a system under which prices are raised, then I say, in the interests of every class in the community, not excluding the owners of fixed debts, give me a standard which depreciates, and give me prices which rise. (Hear, hear.) I don't desire, I don't look forward to it, I don't wish for it. If you will show me a system which gives me absolute permanence, I will take it in preference to any other, but of all conceivable systems of currency that system is assuredly the worst which gives you a standard steadily, continuously, and indefinitely appreciating, and which by that very fact throws a burden upon every man of enterprise, upon every man who desires to promote the agricultural or the industrial welfare of his country and benefits no human being whatever but the owner of fixed debts in gold. (Cheers.) And, ladies and gentlemen, let me tell you that this question is pressing because it is impossible that we should remain as we are. (Cheers.) If we do not move to a better system, we shall assuredly be driven to a worse system. (Hear, hear.) Austria will not go on as she is. America will not go on as she is. India cannot go on as she is—(cheers)—and there is no monometallist in this country so hardened as to look with equanimity on a condition of things in which America, Austria and India should all take a gold standard and a gold currency, and should thereby double the strain already placed upon the gold supplies of the world which can so ill afford to bear it. (Cheers.) And look into what straits those who feel the pressure of existing difficulties, but who refuse the bimetallic solution of them, are driven by the necessities of the case? I recollect that as far back, I think, as 1876—certainly at a time when I

was a very young member of Parliament, in my first Parliament it was—I was asked to serve upon a confidential Departmental Committee at the India Office, for considering a proposal which even at that time the Indian Government felt bound to press upon the Home Government as a method of getting them out of their financial difficulties. I am not going to discuss that particular expedient. I am not sure I have it very clearly in my recollection, but at all events it resembled later expedients in this that it consisted in an artificial appreciation of the rupee by an artificial limitation of the number of rupees that were to be coined in the Indian Mint, and this is the expedient which monometallists are gravely considering whether they ought not now to accept. What does it amount to? It amounts to giving India an inconvertible currency, made not of paper, but of silver, with all the evils of a paper inconvertible currency and all the expenses of a currency composed of a metal which I suppose I must still call a precious metal. (Hear, hear.) And what among other evils are the evils of an inconvertible currency? These, that its value in relation to commodities depends not upon natural causes but depends solely upon the will of a Minister of State. (Hear, hear.) And this is the scheme which those who accuse us of heresy, which those who say we do not preach economic doctrine, seem almost disposed to accept in order to get India out of her difficulties. The scheme appears to me to be a wild one, but the necessity which has brought it forth is a real and an imminent necessity.

#### OUR DUTY TO INDIA.

We are responsible for the government of India and all its millions. On our shoulders lies the burden of any consequences that may follow from our compelling that country to take a currency which she does not want, which does not

suit her needs, but which suits our prejudices. And recollect that in India you cannot divide the financial interests of the Government from the financial interests of the people even as much as you can in some other countries of the world. There are people who tell you "Oh, this may embarrass the Indian Government." No doubt it embarrasses the Indian Government. "This may be injurious to the Indian official." No doubt it is. "But the native ryot, the native manufacturer, the great populations of India have benefited by this. Why, therefore, should you change it?" Yes, but you cannot separate the interests of the Indian Government from the interests of the Native producer in that way. Every financial difficulty of the Indian Government is a political difficulty of the very gravest magnitude. (Hear, hear.) Every tax that you put on, every fresh strain that you place upon the resources of that country, every difficulty in which her credit is involved, have consequences reaching far beyond the temporary difficulties of this or that Finance Minister. They go to the very root of our rule in that country. And let me tell you that unless we go forward and do something to relieve the Indian Government of the intolerable difficulties under which it is now suffering great will be the weight of responsibility—greater than can be borne—upon the Parliament and upon the Government of this country. (Cheers.) I have detained you longer than I had intended, and I am well aware that I have done but scanty justice to a great subject and a most complicated theme. And yet I do not regret that you, Mr. Mayor, have given me an opportunity to-night of publicly—not for the first time, but, perhaps, more publicly than before—expressing my personal convictions that we have now reached a crisis in this monetary difficulty in which it behoves every citizen in this country to do his best to arrive at a wise, an honest, and a patriotic conclusion.



(Hear, hear.) I firmly believe that an appreciating currency is fraught with evil to every class in the community. I firmly believe that a currency which bears no stable or permanent relation to the currency of other countries is a chronic hindrance and difficulty in the way of export trade. I firmly believe that the difficulties that you are throwing by your present system upon Indian finance are almost overwhelming.

#### INTERNATIONAL BIMETALLISM POSSIBLE AND ADEQUATE

But while I hold all these convictions I also believe that the bimetallic solution is possible and is adequate. (Applause.) I don't give it you as a cure for every industrial evil. I don't come forward as a quack with a universal remedy. I don't tell you that it will drive bad trade for ever from these shores and give every man who desires to work a chance of working for a good day's wages, and every man who desires to invest the certainty of a profitable investment. (Hear, hear.) I paint no such visions before you. I put no such promise before your gaze. But I do say that for a great commercial country a sound instrument of exchange is a matter of the first necessity. (Applause.) I do say that the instrument of exchange which you actually have is a bad instrument, and I offer you for your acceptance an instrument which, if not perfect, is at all events practicable, and is incomparably better than any which you are likely to obtain by any other means of which I have any knowledge. (Loud applause.)

The MAYOR: You have heard the resolution moved, seconded, and supported. Those who are in favour of that resolution will kindly show your approbation by holding up



your right hands. Those who are against will now kindly hold up their right hands.

I declare the resolution carried by a vast majority. (Applause.)

I will now call upon Mr. J. C. Fielden to propose the next resolution, and I would give a gentle hint to future speakers that the time is far advanced, and I hope as far as possible they will keep within reasonable limits.

Mr. J. C. FIELDEN then moved :

That the Right Worshipful the Mayor of Manchester, as Chairman of this meeting, be requested to forward copies of the foregoing Resolution to the Prime Minister, to the Chancellor of the Exchequer, to Her Majesty's Principal Secretaries of State for Foreign Affairs, India, and the Colonies, and to the President of the Board of Trade.

He said : Mr. Mayor, ladies and gentlemen, I venture to say that the meeting that we have had the pleasure of holding this evening in this hall has been a meeting at which any of our opponents could have had the fullest chance of a fair discussion of the question. (Applause.) It is somewhat remarkable that after a six years' struggle in this city they have let the verdict go by default, because there is no mistake about it—they have absented themselves from this meeting because they dare not face the working classes upon the question. I will not attempt to detain you at this late hour, but I must at least say, as one deeply interested in the trade of Lancashire, and as one who has been for over thirty years fighting the operatives' battles in this county, that this question vitally affects every one of us in Lancashire who have to earn our living by daily work. We have to send out our productions to 900 millions of people who have no other money to pay with but silver. Out of the products of our looms and spindles fully 60 per cent of all that we export have to be marketed with people whose only money is silver, and every step of diver-

gence between gold and silver money has placed the Lancashire producer—and the operatives whom he employs—in a worse position for carrying on competition in the world's markets. The gentlemen who have discussed this question with and against us in Manchester for the past six years are quite aware that at the last great fight which also took place in this room not long ago they endeavoured to make you believe that the trade of the county and country was in a satisfactory condition. Yet within a few months what do we see? A strike threatened over half our county. We are within ten days of half the county being plunged into a serious catastrophe. And for what? A five per cent reduction of wages, which would disappear with a fluctuation of one single farthing in the price of the silver rupee. (Applause.) With a single fluctuation of a farthing in the price of the rupee that five per cent is gone, and such fluctuations are taking place almost every week and every month. And yet, forsooth, we are told that this reduction is to be the remedy which is to be applied to the great cotton industry. Mr. Beith alluded to the loss of our trade in the East, or may I put it in another way—of the enormous growth of the trade between Bombay and China since these silver difficulties began. Well, the loss to us is equal—to put it in a tangible and concrete form so that you can easily understand it—the loss to us in the trade alone in course counts between Bombay and China and Japan is equal to the entire production of 60 large mills. Now understand, the production of 60 large mills which have been built in Bombay instead of here, and I will tell you in a moment or two why I say instead of here. Now what do these 60 large mills mean? They mean the employment of thousands of people. They mean the employment of builders to build them, of machinists to make the machinery the constant keeping up of the works, and all the transit

and every bit of the trade that those 60 mills generate and develop around them. I have no hesitation in saying that that growth which has gone to Bombay if it had been secured, as it ought to have been secured, to Lancashire, would have made us busy, instead of depressed, and instead of having to go through long years of trouble and depression and bad trade we should have had comparative happiness and comfort right away through the whole of South-East and North-East Lancashire. I will give my reason for saying that we ought to have secured that trade. We are often charged with wanting to promote a plan that was opposed to Free Trade and fair play. Why, it is certain that upon level lines, upon equal conditions, with the same opportunities to exchange our productions for money as our competitors possess, that trade would have come here. I tell you to-day, as I said years ago in the Chamber of Commerce and throughout the whole of the inquiry by the Chamber for which I moved, that with silver at the old price of the rupee it would not be possible to send profitably a pound of yarn from India into the China markets against Lancashire—that is in the coarse counts. These men know it, and know it perfectly well, and I will give you a straight tip to reckon them up by. I allude to no one specially, but to the general opposition that we have had in Manchester from certain commercial men. There is not a single leader of them that ever helped in the slightest degree to diminish the charges for import and export by helping on the Ship Canal Movement. The very same men who tell us that we are destroyed in our competition with India because of the charges to import cotton and export yarn are the very men who refused to help to diminish those charges to help us to maintain our trade. I do not think it is at all necessary at this late hour of the evening to enter largely into the main question, but this I will say, that there is not a man

that descends a mine, there is not a man that enters a factory to labour, there is not a man who helps to build a building, there is not a man that sows seed and gathers crops, there is not, in fact, a man at work throughout the whole length and breadth of the industrial operations of this country that is not adversely affected by an appreciating standard, and that appreciating standard is the result of refusing to make full use of the two metals that nature has provided for us as great monetary mediums. The economic portion of our scheme is absolutely unanswerable. If you will permit me, I will put it into most popular phraseology by a small illustration. The bankers that were before the Royal Commission repeatedly gave evidence to the effect that gold was a very nice comfortable standard, that it was a very convenient thing to be a medium of exchange, and that silver was a very cumbersome standard, very heavy, and unsuited altogether to the wants of a great commercial people. They also said that gold, somehow or other, had a great deal to do with our commercial supremacy and superiority of England in the commercial world. Now, I venture to say that the gold standard of England is nothing but the ensign at the top of the building when the building is erected and that it was the brains, the intelligence, the labour, the honour of our merchants, their spirit of adventure, their skill, their capacity to conduct great enterprises throughout the whole world that made the commercial supremacy of England—(applause)—and that the gold standard was nothing but just the mere flag that is put outside the building to show that the building is complete. With regard to the other argument, I venture to offer this simple reply, that whilst I know that gold is very convenient, I also know that silver is not cumbersome; (laughter)—at any rate, if ever the time comes when the workingmen of England, paid in

silver, are troubled as to how to carry home their wages there will be a good deal better times than any we have had yet. (Applause). No, gentlemen; this gold monopoly and these gold monopolists have but one interest, as was pointed out in that very able address of Mr. Balfour. I venture to say that Mr. Southern, when he spoke of the two precious metals having been used for seventy years, might have spoken about thousands of years, because there never has been any great commercial country that has not been compelled to resort to bimetallism for its internal commerce. Bimetallism is as old as commerce, since commerce was conducted by money, and we have even had trimetallism at times. In speaking of the two standards, I should simply say that some authorities declare that the sources of the supply of gold are becoming exhausted. Do you want to run trade on a constantly diminishing basis? Do you mean to say that we are to be forced to continue exchanging our productions, constantly growing through improved means of production and development of population, against the diminishing supply of a metal that is totally inadequate to perform the business operations of the world? Or are we to take advantage of the more bountiful supply of the white metal? (Applause.) In moving this resolution, I feel assured that we are emulating the spirit of the men who freed us from the monopoly in corn, we are following in the steps of Cobden, and we are carrying into action the spirit of that motto which we have imprinted on the statue of Bright, and to the world we say "We will be just, and fear not." (Applause.)

Mr. JOHN THOMSON: Mr. Mayor, ladies and gentlemen, I confine myself at this hour of the evening to emphatically seconding the resolution.

On the resolution being put to the meeting, and a show of hands taken,

The MAYOR said : I declare the resolution to be carried unanimously. (Applause.)

The DEPUTY-MAYOR (Mr. Alderman Mark) then took the chair and called upon Sir William Houldsworth.

Sir, W. H. HOULDSWORTH : As it is possible I may be summoned by the Government to attend the monetary conference, shortly to be held at Brussels, as a delegate for England, I have felt myself precluded on the present occasion from taking part in the discussion. But I was entitled, I think, to attend this meeting as a ratepayer and a citizen ; and perhaps you will allow me to propose a resolution which, I believe, will provoke no difference of opinion whatever. His Worship the Mayor has, I think, exercised a wise discretion in acceding to the appeal made to him to call a meeting to consider this important subject. It is a subject which well deserves the attention of every citizen of Manchester. I beg to propose a hearty vote of thanks to the Mayor for having convened the meeting, for having presided over it, and for the courteous and impartial words he uttered in opening the proceedings. I am sure he will feel from what he has heard, and from what he knows, that this is a burning question. It is not a matter which can be lightly laid aside, but has an enormous bearing upon the prosperity of this county and of this country. And I am sure that those who have heard what has been said this evening, and those who will read it to-morrow, will give us credit for not having used extravagant or intemperate language, and for having put a very serious subject fairly to the people of this city, and through them to the whole country. I trust that a wise solution will ultimately be found which will relieve our industries, and the industries of other countries, from



the incubus under which they are at present suffering. (Applause.)

Mr. JESSE HAWORTH: I have great pleasure in seconding the motion. We are not only greatly indebted to the Mayor for his impartial conduct in the chair, but we are indebted to him for a very remarkable meeting. I believe that this meeting and the speech of Mr. Balfour will mark a new departure in this movement, and that from this time there will be a great many converts to bimetallism. (Applause.) The Mayor has not expressed any opinion to-night, but he has an open mind upon the question, and from a speech he made in his Parlour some months ago I gathered that he was tending in the direction of bimetallism. I am sorry he is not retaining the Chair for another year, but when he is relieved from office he will have time to look at the question, and, I trust, will eventually support the movement. (Applause.)

Mr. Alderman MARK, in putting the resolution to the meeting, said: The Mayor, in my opinion, decided wisely in giving this evening meeting for the discussion of this important question. I believe it is an occasion which will become historic in the annals of Manchester. (Applause.)

The motion was adopted.

The MAYOR: I thank you very heartily for the vote you have just passed. It is true I have had rather a difficult position to fill, because it is a hard thing to serve two masters. I have been approached by two different parties, holding wildly different views, in this matter, and if I have succeeded to some degree in pleasing both, I have accomplished a very great feat. (Laughter.) For myself, I have spent a

very instructive evening, and when the cares of office are taken off my shoulders, I shall try to apply myself to the study of what I believe is a most important question. I am in the fortunate position of having an open mind. I want to see the commercial interests of England served without injury being done to any other class of interests. (Applause.)

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